

UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA
DURHAM DIVISION

IN THE MATTER OF:)	Case No: B-1080430 C-13D
)	
CHAD A. VAUGHN,)	
CATHERINE VAUGHN,)	
)	
Debtor(s))	
_____)	

OBJECTION BY STANDING TRUSTEE TO CONFIRMATION OF PLAN

NOW COMES Richard M. Hutson, II, Standing Trustee (“Trustee”) and respectfully objects to confirmation of the Debtors’ plan pursuant to 11 U.S.C. §1325(b) and shows unto the Court the following:

1. The Debtors filed a petition under Title 11 of the United States Code, Chapter 13, on March 12, 2010, in the United States Bankruptcy Court for the Middle District of North Carolina.
2. On March 12, 2010, Richard M. Hutson, II, was appointed as Trustee.
3. This Court has proper and personal jurisdiction of the subject matter hereof and over the parties pursuant to 28 U.S.C. §§151, 157 and 1334, and the Standing Order entered by the United States District Court for the Middle District of North Carolina and this is a core proceeding within 28 U.S.C. §157(b).
4. The Debtors’ plan proposes monthly payments of \$1,761.00 for a period of 60 months. According to the Debtors, there is no required return to general unsecured creditors. There is unsecured debt listed in Schedule F of approximately \$26,908.57.
5. According to the Debtors’ Statement of Current Monthly Income (“CMI”), filed with the petition as Official Form B22C, the Debtors have annualized current monthly income that is greater than the applicable median income for North Carolina; therefore, disposable income is determined by 11 U.S.C. §1325(b)(3) and Form B22C.
6. On line #45 of Form B22C, the Debtors take a deduction for charitable contributions in the amount of \$350.00 per month.

7. The Trustee objects to confirmation of the plan in that the Debtors may not be devoting all available monthly disposable income to unsecured creditors. The Debtors have provided the Trustee with their 2009 federal tax return showing charitable giving for the entire year of \$2,450.00, or \$204.17 per month. Based on the 2009 tax return, the Trustee challenges the deduction listed in Form B22C for charitable contributions of \$350.00 per month.

WHEREFORE, the Trustee prays the Court for an Order as follows:

1. That the Debtors' plan not be confirmed in that the plan does not comply with the provisions of the Bankruptcy Code, specifically 11 U.S.C. §1325(b), and the case be dismissed for cause pursuant to 11 U.S.C. §1307;
2. For such other and further relief as the Court may deem just or proper.

This the 19th day of May, 2010.

s/Benjamin E. Lovell

Benjamin E. Lovell

Attorney for the Trustee

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CERTIFICATE OF SERVICE

This is to certify that I have this day served a copy of the foregoing document upon John T. Orcutt, Esq., 6616-203 Six Forks Rd., Raleigh, NC 27615, Chad & Catherine Vaughn, 156 Fuller Rd., Rougemont, NC 27572, and Michael D. West, Esq., U.S. Bankruptcy Administrator, PO Box 1828, Greensboro, NC 27402 by depositing a copy of same in the United States Mail, postage prepaid, and in the manner prescribed by Rule 5 of the Federal Rules of Civil Procedure.

This 21st day of May, 2010.

s/Benjamin E. Lovell

Benjamin E. Lovell, Esq.

Attorney for the Standing Trustee